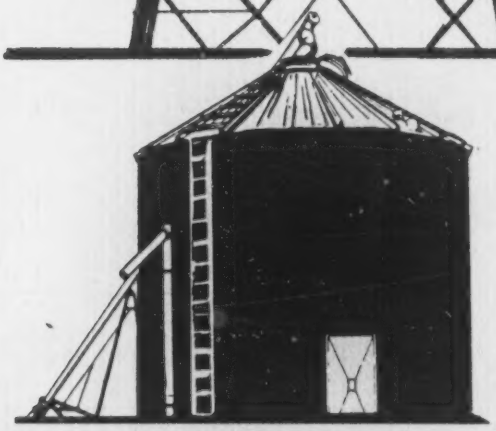
SOUTH DAKOTA

PUBLIC UTILITIES COMMISSION

Annual Report FY87



Commissioners:
Dennis Eisnach
Kenneth Stofferahn
Jim Burg

Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

Executive Director
Mary Vanderpan
(605) 773-3201

November 3, 1987

The Honorable George S. Mickelson
Governor of South Dakota
State Capitol Building
500 E. Capitol Avenue
Pierre, SD 57501

Dear Governor Mickelson:

In conformity with South Dakota Codified Law 49-1-13, the Public Utilities Commission hereby respectfully submits its annual report for the time period of Fiscal Year 1987. This report of its activities contains the facts, statements and explanations deemed necessary by the Commission to fully disclose its transactions and conduct during this time period.

Generally, this report conveys the various activities, functions and accomplishments of the South Dakota Public Utilities Commission. It includes, but is not limited to, a complete financial report of receipts and expenditures, including a list of the utilities regulated by the Commission and the total amount of fees and assessments paid by each. It also includes a list of the applications, subject and disposition of each docket number assessed by the Commission.

Sincerely,

Dennis Eisnach

DENNIS EISNACH, Chairman

S.D. Public Utilities Commission

DE:jld

Enclosure

TABLE OF CONTENTS

FORWARD 1

BRIEF BIOGRAPHIES OF COMMISSIONERS 2

PUBLIC UTILITIES COMMISSION DISTRICT MAP 3

HISTORY OF THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION 4

PUBLIC UTILITIES COMMISSION ORGANIZATIONAL CHART 7

ADMINISTRATIVE DIVISION 8

Consumer Services
Financial Reports
Statutory and Rules Changes

FIXED UTILITIES DIVISION 12

Electric & Gas Section
Telecommunications Section
Legal Section
Telephone Companies Listing

TRANSPORTATION DIVISION 15

Motor Carrier Section
Inspection/Investigation Section
Public Warehousing Section
Legal Section

APPENDIXES 18

Consumer Complaints 19
Court Proceedings 20
General Rate Cases 22
General Studies - Investigations 23
Electric and Gas Cases Docketed 26
Telecommunication Complaints 30
Telecommunication Service Area Disputes 31
Telephone Tariff Cases 33

FORWARD

Created by State Statute, the South Dakota Public Utilities Commission is an independent, quasi-judicial, regulatory body of three members elected state-wide to six year terms. The jurisdiction, powers and duties of the Commission are delegated to it by the South Dakota Legislature.

The state laws applicable to the Public Utilities Commission are found in Volume 14B, Title 49 of the South Dakota Codified Laws. These laws govern the regulation of motor carriers, telephone companies, public warehouses, grain dealers, energy facilities and transmission lines, and investor-owned electric and natural gas companies. From 1974 to the present time, the Public Utilities Commission has promulgated rules which cover the above listed utilities.

The Commission functions under direct general fund and other fund appropriations of the South Dakota Legislature but it is charged with the responsibility of collecting certain fees for licenses, permits and charges including special hearing fund assessments in the Fixed Utilities Division.

The special hearing fund assessments consist of a 1.5 mil tax assessed on the total intrastate gross receipts of utility companies received from retail customers within the State of South Dakota, which funds the daily work of the Fixed Utilities Division; and a $75,000 assessment of the utility filing a specific rate case, to be used only for expenses incurred in that specific case.

A complete financial report of these fees and funds are included elsewhere in this report.

• BRIEF BIOGRAPHIES OF COMMISSIONERS

Dennis Eisnach

Assumed Commissionership January, 1983, term ends January, 1989; Democrat; born January 2, 1936. Attended South Dakota School of Mines and Technology, Rapid City, and the University of South Dakota, Vermillion. Past experience includes South Dakota Highway Patrol, 1960-1980 - Superintendent, 1974-1980. Elected to serve District 3. Address is Pierre, South Dakota. Assumed the Chairmanship January 6, 1987. Currently president of Mid-America Regulatory Conference.

Kenneth D. Stofferahn

Assumed Commissionership January, 1979; first term ended January 7, 1985; re-elected to a second term which ends January 1991; Democrat; born April 5, 1934. Received B.S. Degree in Agriculture from South Dakota State University, Brookings. Past experience includes farming; member of local Board of Education (President 1974), 1976-1978; and member of South Dakota House of Representatives, 1974-1976. Elected to serve District 1.

Voting residence is Humboldt, South Dakota. Served as Chairman of the Commission from January 5, 1983 to July 1, 1985.

Assumed the Vice Chairmanship July 1, 1985. Board member of National Regulatory Research Institute.

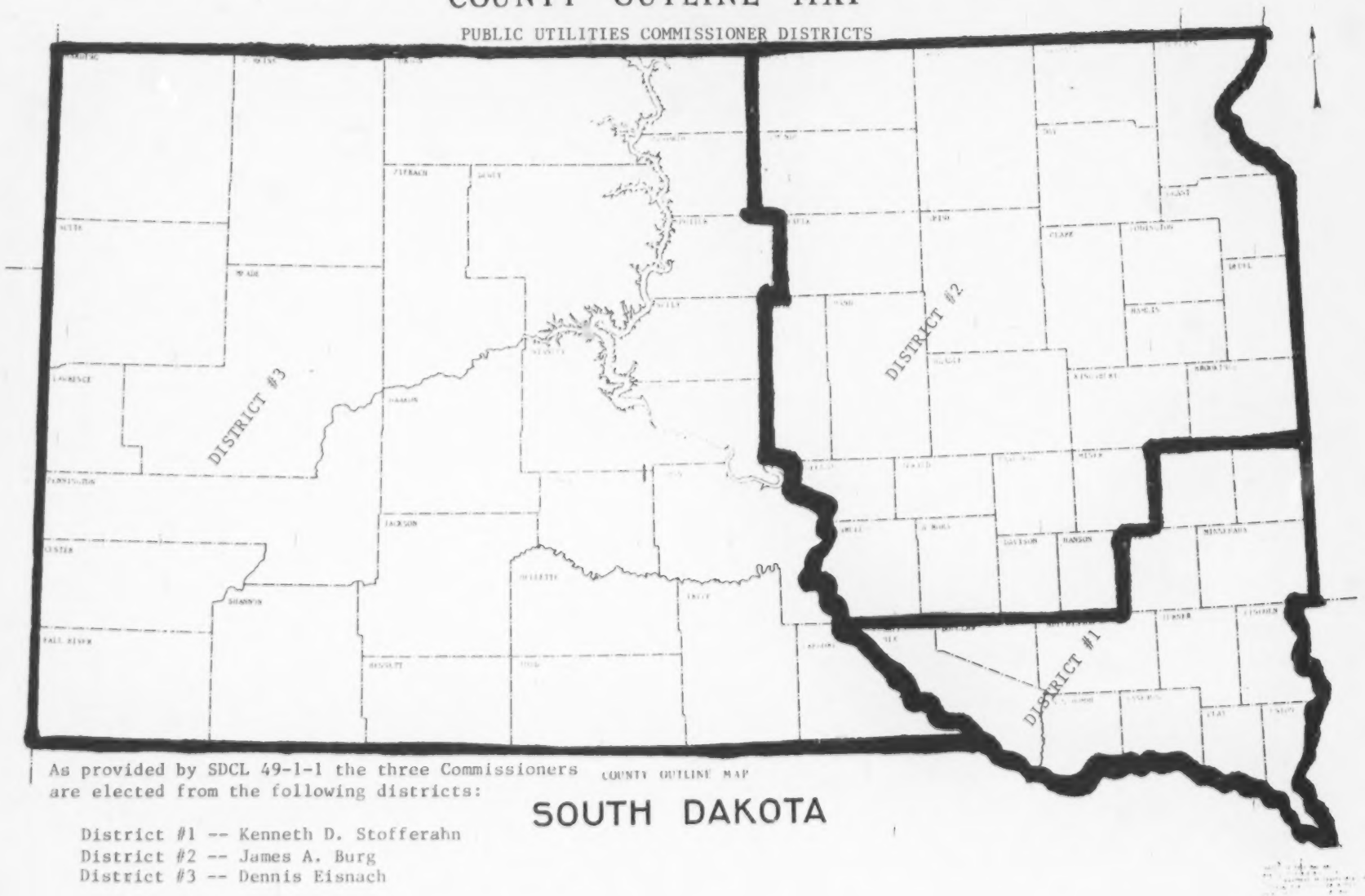
James A. Burg

Assumed Commissionership January, 1987; term ends January, 1993; Democrat; born April 22, 1941. Received B.S. Degree in Animal Science from South Dakota State University, Brookings, South Dakota, 1963. Past experience includes farming; member of South Dakota House of Representatives, 1975-1984; Assistant Minority Leader, 1979-1984; South Dakota State Senate, 1985-1986; Assistant Minority Leader; South Dakota National Guard, 1963-present, Major. Elected to serve District 2; Residence is Wessington Springs. Member of National Association of Regulatory Utility Commissioners Committee on Administration.

SOUTH DAKOTA

COUNTY OUTLINE MAP

PUBLIC UTILITIES COMMISSIONER DISTRICTS



As provided by SDCL 49-1-1 the three Commissioners are elected from the following districts:

District #1 -- Kenneth D. Stofferahn
District #2 -- James A. Burg
District #3 -- Dennis Eisnach

COUNTY OUTLINE MAP

SOUTH DAKOTA

HISTORY OF THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

• The Public Utilities Commission's Origin--1885-1987:

The coming of the railroads to the Dakota Territory brought vital transportation services, but there were also problems. There was only one railroad--a monopoly--so it could charge anything the market would bear. The farmers in Dakota Territory felt they were being fleeced of millions of dollars, and they carried their complaints to the government.

The Territorial Legislature responded, creating the Dakota Railroad Commission in 1885. The Commission used its authority to eliminate many of the discriminatory practices and ensure fair and reasonable rates.

With the coming of statehood in 1889, the functions of the Territorial Commission were transferred and became the South Dakota Railroad Commission. The first South Dakota Legislature in 1889 significantly increased the duties and powers of the three member board, who at that time were appointed by the Governor. In 1897, the Legislature approved a new law which made the Board of Railroad Commissioners an elective office with six-year terms. The change was apparently intended to encourage a broader range of interest among the members and to make the Board directly responsible to the people.

To more accurately reflect its growing number of regulatory responsibilities, the name was changed to the Public Utilities Commission in 1939.

• The Public Utilities Commission--Changing, Changeless:

The state of South Dakota has changed significantly during the last 100 years, and the Public Utilities Commission has changed with it.

In order to protect the early South Dakota farmers, the Legislature placed the regulation of grain warehouses under the Railroad Commission in 1890.

In 1907, a telephone commission composed of the State Treasurer, State Auditor and a Telephone Commissioner was given regulatory authority over telephone and telegraph companies. The commission was abolished two years later and its authority was transferred to the Board of Railroad Commissioners.

During the 1925 legislative session, a comprehensive Motor Carrier Act was approved giving the Commission authority to regulate the trucking and busing industry.

In 1975, the South Dakota Legislature enacted a state law which gave the Public Utilities Commission jurisdiction over the regulation of natural gas and electric utilities. Since then, municipal utilities, cooperatives and small independent companies have been removed from regulation of rates.

Railroads were effectively removed from the Commission's jurisdiction in 1980. Safety standards are still enforced by the State Department of Transportation.

In 1981, President Reagan signed into law the Record Carrier Competition Act, which removed state regulation of telegraph companies.

Even though many changes have occurred, the Commission's main mission remains the same--assuring that public utilities provide service in a fair and reasonable manner.

- **Motor Carrier:**

In 1925, South Dakota became one of the first states to regulate for-hire motor carriers, both trucks and buses, to assure the public safe and adequate transportation service at reasonable rates. The Public Utilities Commission regulates freight rates and service territory and issues annual permits which require that motor carriers are adequately insured.

Following the passage of Public Law 89-170 in 1965, which set standards for the registration of interstate motor carriers, the South Dakota Public Utilities Commission has cooperated with the Interstate Commerce Commission and the National Association of Regulatory Commissioners for standardized regulation.

Around 12,000 for-hire motor carriers now operate over South Dakota highways. Nearly 1,000 of those provide truck transportation exclusively within the state's borders, while four companies provide regular route bus service.

- **Warehouse Division:**

With the changing farm economy and more grain held in storage, the regulation of public warehouses has become more important. The most significant responsibility is overseeing the operation of 184 state-licensed grain storage elevators. The Public Utilities Commission also supervises 29 federally-licensed elevators that hold state grain buying licenses, 34 non-storing elevators that hold a state grain buying license, 269 trucking firms that hold grain buying licenses and 26 general storage warehouses.

Each elevator is required to post a bond based on the value of grain in storage or the volume of grain it buys and sells each year. Trucking firms that buy grain are required to post a bond based on the number of trucks they operate. General storage warehouses may post a bond based on their square footage or provide evidence that they are adequately insured. The bonds cover potential losses a farmer could suffer in case of an elevator's failure. Insurance would provide the same protection to a consumer storing his personal property in a general storage warehouse.

Elevators are required to file monthly grain-in-storage reports, and reports that detail their buying and selling activity. In addition, the Public Utilities Commission employs three inspectors who monitor the operation of elevators, as well as the motor carrier industry.

- **Telecommunications:**

Recently the most visible area of Public Utilities Commission regulation has been in the telecommunications industry, primarily because the technology is changing rapidly.

Since July 1, 1987, the Commission regulates local rates of just one telephone company--Northwestern Bell. Northwestern Bell serves nearly 74% of all telephone customers in the state. Regulation also includes such things as service territories, quality of service and consumer complaints. These rules apply to all the remaining companies including municipally-owned telephone systems, telephone cooperatives and independent telephone companies with fewer than 10,000 customers.

The Commission is committed to the goal of universal service, which means phone service should be affordable to everyone, especially those who consider a telephone a necessity because of poor health, advanced age or some other reason.

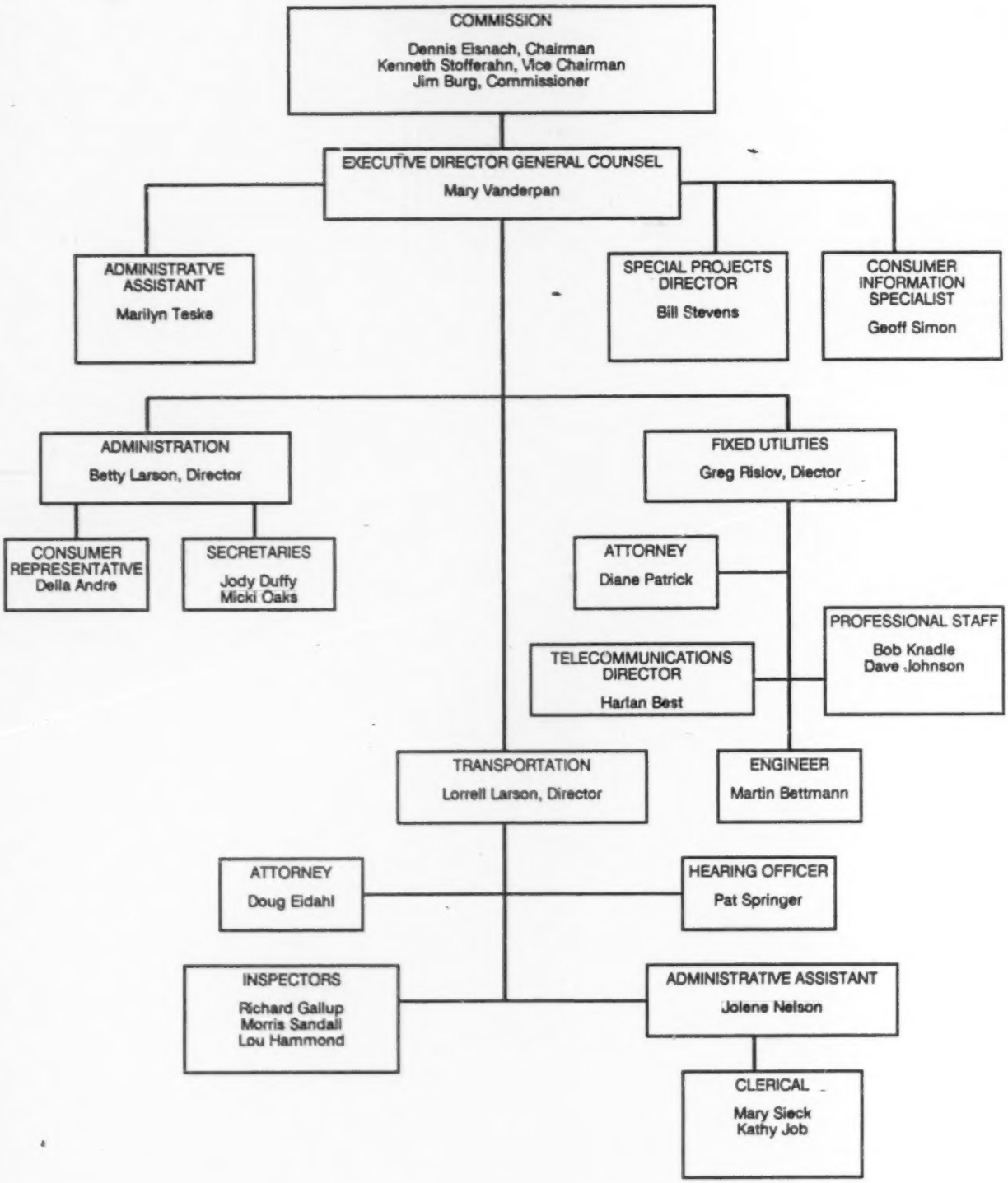
Telecommunications regulation applies to more than just telephones in homes and businesses. The Public Utilities Commission also regulates mobile telephone and radio paging systems. The Commission grants territorial rights to the companies and ensures that they are able to provide adequate services.

- **Electricity and Natural Gas:**

The Public Utilities Commission has had the responsibility of regulating electric and gas utilities since 1975. The Commission has authority to set retail rates, territorial boundaries, and customer service regulations such as credit and disconnection policies. The regulations apply to seven privately-owned utilities, three of which provide both electric and natural gas service--Iowa Public Service Company, Montana-Dakota Utilities Company and Northwestern Public Service Company. There are three privately-owned companies that provide just electrical service--Black Hills Power and Light Company, Northern States Power Company and Otter Tail Power Company. Minnegasco is the lone regulated utility providing just natural gas service.

Rural electric cooperatives and municipally-owned utilities are not regulated by the Public Utilities Commission, except in regard to their territorial service areas and in response to complaints about quality of service.

PUBLIC UTILITIES COMMISSION
ORGANIZATIONAL CHART



FUNCTIONS OF THE PUBLIC UTILITIES COMMISSION

The three elected commissioners are responsible for all functions of the South Dakota Public Utilities Commission. As a Commission, it organizes by selecting a chairman, vice chairman and associate commissioner.

The Executive Director coordinates various staff activities of the agency, schedules hearings and conferences, and is responsible for the implementation of commission policy, the supervision of the directors of the Administrative Division, Fixed Utilities Division and Transportation Division, as well as supervision of Consumer Services and Special Projects.

The Commission Counsel represents the Commission in matters before the State and Federal Courts, as well as preparing all commission orders and reports to the commissioners on various issues.

Since January, 1987, these two positions have been combined with Mary Vanderpan as Executive Director/Commission Counsel.

The Commission staff is organized into three divisions: Administrative, Transportation and Fixed Utilities.

ADMINISTRATIVE DIVISION

The Administrative Division of the Public Utilities Commission provides support services for the commissioners and the entire commission staff, and is generally responsible for the administrative operations of the Public Utilities Commission.

- **Consumer Services and Complaints Section:**

The consumer representative has the primary responsibility for consumer relations, communications and problem solving. Upon receipt of telephoned and written inquiries, complaints, and comments from consumers, a staff member initiates an investigation on the consumer's behalf to resolve the situation satisfactorily for both the consumer and the utility company. In many instances the consumer will have first contacted the utility company about the concern and simply wishes further assistance from the Commission. This section keeps record of all such complaints and their resolutions for tabulation and preparation of statistical summaries. The complaint records for FY1987 are included in the appendix.

The consumer information specialist provides information to the general public about regulation of utilities, consumer rights and energy conservation through consumer panels, brochures and media.

The special projects director provides liaison with Mid-America Regulatory Conference whose regional convention will be held in Rapid City in 1988; coordination of The Balancing Act, an educational project for high school students; budget analysis and other support functions.

- **Financial and Personnel Services:**

This section has the responsibility of compiling all of the Commission's fiscal information used in the budgeting and accounting functions. The financial reports of expenditures and revenues in the various program budgets follow:

The Statement of General Fund Revenue represents the collection of general fund revenue receipted by the issuance of licenses and permits in the Transportation Division. Revenue collected from these sources is remitted to the State General Fund.

Statement of General Fund Revenue

	FY-87
ICC or ICC Registration	$ 40,650.00
MC-A Permit	200.00
MC-B Permit	5,300.00
MC-C Permit	3,400.00
Permit Transfers	6,100.00
Non Storage Licenses	510.00
Federal Storage Licenses	435.00
Grain Elevator Licenses	2,760.00
General Warehouse Certificates	390.00
Decals	874.00
Grain Buyers Licenses	4,035.00
Idenitification Stamps	876,010.00
Cab Cards	505.00
Grain Terminal Weighmaster	10.00
Total	**$941,179.00**

Special Hearing Fund Revenue

	FY-87
Black Hills Power & Light	$ 88,066.59
Northern States Power	68,584.03
Otter Tail Power Company	18,658.29
Northwestern Bell Telephone	161,649.46
Minnegasco	64,472.06
Bison State Telephone	4,897.00
Northwestern Public Service	140,277.43
American Telephone & Telegraph	
Iowa Public Service	17,804.21
Montana-Dakota Utilities	66,844.16
Continental Telephone	51.31
Total	**$632,265.76**

The Special Hearing Fund Revenue listed in the proceeding report for state fiscal year 1987 shows the amount of the annual intrastate gross receipts tax paid by each Commission-regulated natural gas, electric and telephone company in South Dakota. This annual intrastate gross receipts tax, levied on the above listed companies, is authorized by SDCL 49-1A-3 and provides funding for the Commission's Division of Fixed Utilities. This funding source appears as "Other" funds in the Fixed Utilities Division on the following chart.

BUDGET, EXPENDITURES, ENCUMBRANCES AND BALANCE FOR THE FISCAL YEAR ENDED JUNE 30, 1987

PROGRAM	FY 1987 BUDGET	EXPENDITURES BY FUND GROUP: GENERAL	EXPENDITURES BY FUND GROUP: OTHER	ENCUMBRANCES	BALANCE
01 - ADMINISTRATION:					
PERSONAL SERVICES	$ 236,828.00	$236,799.95	-0-		$ 28.05
OPERATING EXPENSES	39,601.00	35,932.68	-0-	$ 2,487.25	1,181.07
TOTAL PROGRAM	276,429.00	272,732.63	-0-	2,487.25	1,209.12
02 - TRANSPORTATION:					
PERSONAL SERVICES	161,814.00	160,131.68	-0-	$ 1,682.32	
OPERATING EXPENSES	53,732.00	52,045.31	-0-	350.88	1,335.81
TOTAL PROGRAM	215,546.00	212,176.99	-0-	350.88	3,018.13
03 FIXED UTILITIES:					
PERSONAL SERVICES	465,010.00	-0-	308,327.92	-0-	6,682.08
OPERATING EXPENSES	239,609.00	-0-	268,496.49	19,700.22	101,412.29
TOTAL	704,619.00	-0-	576,824.41	19,700.22	108,094.37
04 - NON-APPROPRIATED FILING FEE:					
OPERATING EXPENSES	450,000.00	-0-	31,183.40	-0-	418,816.60
TOTAL ALL PROGRAMS	$1,646,594.00	$484,909.62	$608,007.81	$22,538.35	$531,138.22

- **Statutory Changes:**

At the direction of the Executive Director, Commission staff members prepare legislative proposals and amendments which have been recommended by the Commission. Legislation proposed by other agencies or persons is reviewed and monitored by Commission staff when it concerns issues germane to public utility or common carrier regulation. During the 1987 Legislative Session, the State legislature enacted the following changes in Title 49 of the South Dakota laws which apply to the Public Utilities Commission:

Effective July 1, 1987

Senate Bill No. 28 (SDCL 49-28) revised motor carrier statutes for form and style and exempted from Public Utilities Commission regulation those motor vehicles used exclusively to haul hay.

Senate Bill No. 72 formed an interim legislative committee to study the telecommunications industry in South Dakota. This legislation was enacted in lieu of deregulation proposals introduced on behalf of both Northwestern Bell Telephone Company and the Public Utilities Commission.

House Bill 1047 (SDCL 49-42) reduced the bonding requirement necessary for licensed grain elevators and provided for procedure to be used in the case of elevator insolvencies.

House Bill 1049 (SDCL 49-3, 49-6, 49-7, 49-8, 49-10, 49-13, 49-31) revised telecommunications statutes for form and style without making substantive statutory changes.

House Bill 1185 (SDCL 49-34A) requires authorization of the Public Utilities Commission before a person acquires more than 10% of the capital stock of a gas or electric utility organized in South Dakota or that receives more than 25% of its gross revenues in South Dakota. This statute applies to Northwestern Public Service and Black Hills Power and Light Company.

House Bill 1288 (SDCL 49-28) provides for an exemption procedure for a farmer to use his vehicle in exchanging farm work, enabling him to operate without a Public Utilities Commission motor carrier permit.

- **Administrative Rules of South Dakota Title 20, Article 10 Public Utilities:**

In FY87 the Administrative Rules of South Dakota, ARSD 1-26, were revised and became effective October 14, 1987. Included in these rules are public warehouse, grain dealers, and motor carrier licensing rules as well as telephone, gas and electric rate filing and consumers rules (ARSD 20:10), approved and promulgated by the Commission, with input from the concerned utilities and consumer groups.

Significant changes in ARSD 20:10 as a result of the FY87 revision include a revision in the gas and electric consumer rules, adding non-residential consumers (commercial and industrial) to the group of customers already protected by the residential consumer rules which have been in effect for several years. Secondly, additional public grain warehouse rules were added in order to efficiently administer grain elevator licensing.

FIXED UTILITIES DIVISION

During the 1975 Legislative Session, the South Dakota Public Utilities Commission was vested with the powers, rights, functions and jurisdiction to regulate every investor-owned utility in South Dakota as defined in SDCL 49-34A-1(12). This definition of "public utility" is as follows:

> "any person operating, maintaining or controlling in this state equipment or facilities for the purpose of providing gas, or electric service to or for the public in whole or in part, in this state; provided, however, the term shall not apply to an electric or gas utility owned by a municipality, political subdivision, or agency of the state of South Dakota or any other state or a rural electric cooperative as defined in..." South Dakota Codified Law.

After the Commission was given this legal jurisdiction over certain "public utilities" for gas and electricity, the legislature established and the Commission named this division "Fixed Utilities." These new electric and natural gas regulatory responsibilities were added to the already existent telephone utilities regulation within the same division.

The Fixed Utilities Division has been responsible for the regulation of those public utilities which have fixed facilities and equipment that have required a major investment to construct and maintain. The state legislature has determined that the duplication of these fixed facilities and equipment by competing companies would not be in the consumer's best interest. The Fixed Utilities Division has three sections: 1) gas and electric, 2) telecommunications and 3) legal.

The Fixed Utilities Division employs economic analysts, an engineer, and an attorney who assist the Commission in meeting its statutory responsibilities relating to the regulation of rates, service, certification and safety of utility facilities for electric, natural gas and telephone utility companies.

The main objective of the economic or rate analysts is the processing of filings for requested increases in regulated utility company rates. They must analyze filings, identify issues, prepare testimony and exhibits incorporating the staff's recommendations, as well as assist in the preparation of cross-examination questions and preparation of briefs for use in the formal hearing process.

Analysts also recommend action to be taken with regard to new tariff filings, purchase gas adjustments, fuel adjustment clauses, state and federal legislation, Federal Energy Regulatory Commission actions, Federal Communications Commission actions, actions of other states and investigations into new or non-routine utility regulation areas.

The engineer is responsible for providing technical staff direction to insure utility services of a prescribed quality and in sufficient quantity to meet all reasonable requirements for public use. The staff engineer participates in formal siting proceedings and provides technical recommendations to the Commission in these proceedings.

• ELECTRIC AND GAS SECTION:

In the area of electric utility regulation, the Commission regulates six investor-owned electric companies. They are Black Hills Power & Light Company, Iowa Public Service Company, Montana-Dakota Utilities Company, Northern States Power Company, Northwestern Public Service Company, and Otter Tail Power Company.

In the area of natural gas utility regulation, the Commission regulates four investor-owned natural gas companies. They are Iowa Public Service Company, Minnegasco, Montana-Dakota Utilities Company, and Northwestern Public Service Company.

• TELECOMMUNICATIONS SECTION:

In the area of telephone utility regulations, the Commission regulated three telephone companies in FY87. They were Northwestern Bell Telephone Company (US West), Bison State Telephone Company (CONTEL), and AT&T Communications of the Midwest, Inc. (AT&T). As of July 1, 1987, Bison State is exempt from rate regulation because companies with less than 10,000 subscribers were exempted by the 1987 session.

The South Dakota Legislature has removed municipal telephone companies (1980), telephone cooperatives (1979) and independent telephone companies with fewer than 7,000 subscribers (1982) from rate regulation by the Commission. These companies remain subject to the Commission's jurisdiction over quality of service, territory, and complaints. In 1984, the United States Justice Department mandated the division of the Bell System into separate companies -- seven regional holding companies, of which US West is one, to provide local service and AT&T to provide long distance service. The Commission has regulated AT&T since January 1, 1984 for its intrastate toll services only.

• LEGAL SECTION:

The Fixed Utilities Division is staffed with an Assistant Attorney General who provides legal advice to the staff on all fixed utilities matters. The attorney's salary is appropriated in the Commission's budget, but in order for the attorney to represent the State of South Dakota in rate cases and other proceedings, the attorney is required by law to be approved by the Attorney General and is designated as an Assistant Attorney General.

This attorney prepares recommended reports and orders and drafts recommendations for final orders and decisions. Research work is required of this attorney for opinions and memoranda. The attorney also works with legal consultants who are sometimes hired for more complex cases or in a period of extensive rate case activity.

The Fixed Utilities Division legal staff works in the areas of electricity, natural gas and telecommunications at the Commission level. The Commission's counsel provides the Commission with legal representation in state and federal courts in electric, natural gas, telephone and miscellaneous litigation affecting the Commission.

TELEPHONE COMPANIES REGULATED IN FY87

1. Northwestern Bell Telephone Company, Sioux Falls, SD
2. Bison State Telephone Company, Custer, SD
3. AT&T Communications of the Midwest, Inc., Omaha, NE

TELEPHONE COMPANIES - NON-REGULATED INDEPENDENTS

4. Armour Independent Telephone Company, Armour, SD
5. Cheyenne River Sioux Tribe Telephone Authority, Eagle Butte, SD
6. Mt. Rushmore Telephone Company, Keystone, SD
7. Hanson County Telephone Company, Alexandria, SD
8. Jefferson Telephone Company, Jefferson, SD
9. Kadoka Telephone Company, Kadoka, SD
10. Kennebec Telephone Company, Kennebec, SD
11. Sioux Valley Telephone Company, Dell Rapids, SD
12. Stockholm-Strandburg Telephone Company, Stockholm, SD
13. Tri-County Mutual Telephone Company, Emery, SD
14. Union Telephone Company, Hartford, SD
15. Vivian Telephone Company, Vivian, SD
16. Western Telephone Company, Faulkton, SD

COOPERATIVES

17. Baltic Cooperative Telephone Company, Baltic, SD
18. Brookings-Lake Telephone Company, Brookings, SD
19. Dakota Cooperative Telecommunications, Irene, SD
20. Deuel Telephone Cooperative Association, Clear Lake, SD
21. Golden West Telecommunications Cooperative, Inc., Wall, SD
22. James Valley Cooperative Telephone Company, Groton, SD
23. McCook Cooperative Telephone Company, Salem, SD
24. Midstate Telephone Company, Kimball, SD
25. Roberts County Telephone Cooperative Association, New Effington, SD
26. Sanborn Telephone Cooperative, Inc., Woonsocket, SD
27. Splitrock Cooperative Telephone Association, Garretson, SD
28. Sully Buttes Telephone Cooperative, Inc., Highmore, SD
29. Valley Telephone Cooperative Association, Herreid, SD
30. West River Cooperative Telephone Company, Bison, SD

MUNICIPAL

31. City of Beresford Telephone Department, Beresford, SD
32. City of Brookings Telephone Department, Brookings, SD
33. Faith Municipal Telephone Company, Faith, SD

FOREIGN

34. Farmers Mutual Telephone Company, Bellingham, MN
35. Hills Telephone Company, Inc., Estherville, IA
36. Continental Telephone Company of Minnesota, Minneapolis, MN
37. Great Plains Communications, Blair, NE
38. Three River Telco, Lynch, NE
39. Valley Telephone Company, Browns Valley, MN
40. Northwestern Bell Telephone Company of Iowa
41. Northwestern Bell Telephone Company of Nebraska
42. Northwestern Bell Telephone Company of Minnesota
43. Northwestern Bell Telephone Company of North Dakota
44. Northwestern Bell Telephone Company of Wyoming
45. Consolidated Telephone Corporation, Dickinson, ND
46. Dickey Rural Telephone Mutual Aid Corporation, Ellendale, ND
47. West River Mutual Aid Telephone Corporation, Hazen, ND

TRANSPORTATION DIVISION

The Transportation Division is responsible for the regulation of Class A, B and C motor carriers, public storage warehouses, public grain warehouses and grain dealers. This division has four sections: 1) Motor Carriers, 2) Inspection/Investigation, 3) Public Warehousing and 4) Legal.

• MOTOR CARRIER SECTION:

The primary purpose of motor carrier regulation by the Commission is to assure the public of adequate and reliable transportation service at reasonable rates. These rates are reviewed to insure they are not unjustly discriminatory and do not give advantage to any individual or group to the detriment of others. The motor carrier section consists of technical and clerical personnel who assist the Commission in meeting its statutory responsibilities.

Further, this staff is responsible for coordinating and processing applications, tariffs, time-tables, insurance and service requirements for intrastate motor carriers and interstate motor carriers operating within the boundaries of South Dakota. The staff also maintains complete files of all motor carriers' tariffs and handles complaints and inquiries from the general public.

As provided in Chapter 49-28 of the South Dakota Codified Laws there are two types of related motor carriers: 1) Common carriers, and 2) Class C carriers.

1) A Common Carrier is a motor carrier which holds itself out to the general public as engaged in the business of transporting persons or property in intrastate commerce which it is accustomed to and is capable of transporting from place to place in this State for hire. Intrastate permits are granted to common carriers in two classes (A & B) as follows:

Class A - Motor carriers operating between fixed terminals or over a regular route, under regular rates or charges, based upon either station-to-station rates or upon a mileage rate or scale (for example: commercial bus lines/independent truckers who operate on a fixed schedule.);

Class B - motor carriers operating under irregular rates or charges, based upon either station-to-station rates, or upon a mileage rate or scale, and not between fixed terminals and not over a regular route (for example: general commodities, cattle and grain haulers);

Note: both Classes A & B are limited to a certain area of service within which their commerce must originate and terminate.

2) Class C Carriers are operators which transport property where the remuneration is fixed and the transportation service furnished under a separate contract or agreement for each route or locality and where such carrier does not engage in or hold itself out to furnish service to the public generally.

Interstate carriers are required by state law to register their South Dakota operations with the Commission and are subject to regulation by the federal government's Interstate Commerce Commission. Interstate carriers are required to purchase annually the South Dakota identification stamps, which are commonly referred to as "bingo stamps."

• MOTOR CARRIER STATISTICS FY87

The following chart provides the performance data in fiscal years 1987 of the transportation division's handling of these various applications and motor carrier registrations.

Intrastate Permits Issued:	FY87	Cost Per Unit	Total Collected
Class A	1	$ 200.00	$ 200.00
Class B	53	100.00	5,300.00
Class C	50	50.00	3,400.00
Permit Transfers	61	100.00	6,100.00
Interstate Registration	1,626	25.00	40,650.00
Identification Stamps	175,202	5.00	876,010.00

• INSPECTION/INVESTIGATION SECTION:

This section is staffed by three Inspectors/Investigators who are stationed outside the Commission's office in Pierre. Through daily contact with the state Public Utilities Commission office, these three Inspector/Investigators are responsible for conducting investigative, monitoring and contact activities with motor carrier operators and inspecting licensed grain warehouses and dealers throughout South Dakota. These responsibilities and activities are carried out to assure compliance with the provisions of the South Dakota Codified Laws for motor carriers, public warehouses, grain elevators and grain dealers. They also are responsible for assuring compliance with the regulations and rules promulgated by the Commission in this area.

These activities by the Inspectors/Investigators assist the Commission's motor carrier efforts to insure the public of adequate, safe and dependable transportation service at reasonable and non-discriminatory rates. These inspection activities also assist the Commission's efforts in licensing and supervising the bonding practices of public warehouses, grain elevators and grain dealers to insure the property rights of owners and payments to producers.

• PUBLIC WAREHOUSING SECTION:

The Commission's staff in the public warehousing section is responsible to carry out the activities of the licensing and the bonding of warehouses and grain elevators, the handling of complaints and the exercise of the Commission's statutory jurisdiction over the handling, shipping and storing of grain.

The following is a description of the types of public warehouses and grain dealers which are regulated by the Commission and the bonding requirements for each as of July 1, 1985:

1) Public grain warehouses include all public warehouses in this state where grain and seeds are received for storage for hire. A five thousand dollar ($5,000) bond must be provided for the first 10,000 bushels of storage capacity and an additional three thousand ($3,000) bond is required for each additional 10,000 bushels. However, if the value of grain held in storage exceeds the amount of such a bond, the warehouseman must furnish a total bond in an amount equal to the value of the grain in storage.

2) Public storage warehouses include all those where any personal property except grain and seed is received for storage for hire. Their bonding requirements are based on the square footage of their storage area, or in lieu of bond, insurance may be filed.

3) A grain dealer's license is required of any person, firm or corporation who purchases grain from the owner for the purpose of resale. A grain dealer must furnish either a $25,000 or $50,000 bond. The bond amount is based upon the value of grain purchased in the previous fiscal year or the number of trucks operated by the grain dealer, whichever requires the greater bond.

Also a grain dealer is required to purchase a $2 decal to be displayed in the lower left hand corner of the windshield of each truck that is operated.

4) The Commission also licenses one grain weighmaster. A weighmaster is an individual who is authorized to weigh grain and certify the weight at a grain warehouse. The bonding requirement is in the sum of $5,000, conditioned upon the faithful performance of his duties as a weighmaster.

The following chart lists the statistics of the public warehousing section for the fiscal year of 1987.

PUBLIC WAREHOUSING STATISTICS FY87

	FY87	Per Unit	Total
Public Storage Warehouses	26	$15.00	$ 390.00
Grain Warehouse (non-storing)	34	15.00	510.00
Federal Licensed Elevators	29	5.00	435.00
Public Grain Warehouses	184	15.00	2,760.00
Grain Dealers	269	15.00	4,035.00

During Fiscal Year 1987 all of the South Dakota licensed grain storage warehouses were inspected at least once by the three inspectors on the Public Utilities Commission staff. The licensed elevators submit monthly grain reports on the first of every month for grain held in storage. They are required to be bonded for the market value of stored grain as of the reporting date.

- **LEGAL SECTION:**

The legal section is staffed with one Assistant Attorney General who provides legal advice to the Commission and Transportation Division staff on all transportation related matters such as: motor carriers, public storage warehouses, public grain warehouses and grain dealers.

This attorney prepares Commission reports and orders and prepares opinions and memoranda on legal questions before the Commission which require research, in addition to representing the transportation staff in various hearings. This attorney provides the Commission and staff with legal representation in state courts in transportation related litigation.

APPENDIX:

CONSUMER COMPLAINTS 19

COURT PROCEEDINGS 20

GENERAL RATE CASES 22

GENERAL STUDIES - INVESTIGATIONS 23

ELECTRIC AND GAS CASES DOCKETED 26

TELECOMMUNICATION COMPLAINTS 30

TELECOMMUNICATION SERVICE AREA DISPUTES 31

TELEPHONE TARIFF CASES 33

ELECTRIC, NATURAL GAS AND TELEPHONE CONSUMER COMPLAINTS BY CATEGORY FOR FISCAL YEAR 1987

ELECTRIC COMPANIES:	METER	WANT SERVICE	DEPOSIT OR DISCONNECT	SERVICE IMPROVEMENT	BOUNDARY OR TERRITORY	TARIFF OR BILLING	RATE INCREASE	TOTAL
BLACK HILLS CORPORATION	0	3	28	3	2	22	0	58
IOWA PUBLIC SERVICE	0	0	0	0	0	2		3
MONTANA-DAKOTA UTILITIES	3	2	4	2	0	9	4	24
NORTHERN STATES POWER	2	2	15	1	1	16	0	37
NORTHWESTERN PUBLIC SERVICE	4	4	40	1	0	35	9	93
OTTER TAIL POWER	0	0	8	0	0	4	0	12
UNREGULATED COMPANIES	0	1	16	2	3	12	8	42
TOTALS	9	12	111	9	6	100	22	269
GAS COMPANIES:								
IOWA PUBLIC SERVICE	0	1	5	0	0	3	0	9
MINNEGASCO	2	4	18	0	0	20	0	44
MONTANA-DAKOTA UTILITIES	4	1	13	4	0	33	1	56
NORTHWESTERN PUBLIC SERVICE	1	3	17	0	0	13	311*	345
UNINREGULATED COMPANIES	1	0	0	0	0	0	0	1
TOTALS	8	9	53	4	0	69	312	455
TELEPHONE COMPANIES:								
AT&T COMMUNICATIONS OF MW	0	1	1	4	0	2	1	9
NORTHWESTERN BELL	1	42	33	77	6	1,737**	2	1,898
CONTEL (BISON STATE)	0	1	0	0	0	4	0	5
UNREGULATED COMPANIES	1	2	5	3	4	36	1	52
TOTALS	2	46	39	84	10	1,743	4	1,964

*Response to NWPS' request for an increase to be applied to gas rates.

**Included in this figure are the following: 10 'Shell Phone' complaints or inquiries in Docket F-3475; 1,140 Petitioners objecting to the measured service plan, Mitchell, F-3606; 347 Petitioners requesting extended calling plan, Sturgis, Rapid City, Whitewood, Docket F-3665; and 168 Petitioners requesting that Newell-Belle Fourche plan not be implemented, Docket F-3596. NOTE: Not included in any of the tabulated figures are 491 petitioners objecting to telephone deregulation.

COURT PROCEEDINGS PENDING

Docket F-3513 Filed 11/29/84
COMPLAINT OF BHP&L AGAINST HEARTLAND CONSUMERS POWER DISTRICT WITH REGARD TO ELECTRIC SERVICE TO ELLSWORTH AIR FORCE BASE. Commission decision issued 2/4/85.

This complaint arises from a territorial dispute between two utilities. The controversy in federal court arises from the impact which the PUC's decision may have on federal military contracting procedures.

During 1985, five separate actions were filed in District Court involving BHP&L, Heartland, Department of Defense, West River Electric Association and the PUC. After the cases were removed and consolidated in federal court, various motions to dismiss and motions for summary judgment were filed. Briefs were filed and oral argument was held on 6/9/86 before the Court of Appeals for the Eighth Circuit. Petition for rehearing 1/19/87; rehearing denied 2/4/87; pending appeal before U.S. Supreme Court; Supreme Court denied hearing 10/2/87.

Docket F-3555 Filed 9/13/85
BROOKINGS LAKE TELEPHONE CO. VERSUS CITY OF BROOKINGS.

Brookings Lake complained that the City had unlawfully taken over service territory in annexed areas which are within the Company's territory. Order for Answer to Complaint 9/17/85 and reissued 10/11/85; City's response 11/12/85; Order asserting jurisdiction 4/15/86; hearing held 8/22/86; decision 1/2/87; appealed to Circuit Court 1/26/87; briefs filed; oral arguments 7/14/87; PUC decision affirmed 10/26/87.

Docket F-3575 Filed 12/18/85
COMPLAINT OF AMERICA PHONE INCORPORATION DBA PHONE AMERICA OF SOUTH DAKOTA, AGAINST AT&T AND NWB.

This action arises from a complaint filed by Phone America against NWB. The complaint disputes the amount due to NWB from Phone America for its billings from February 1985 through December 1985. Hearing held on 1/20-21/86 and PUC order issued 2/7/86. Rehearing held on 3/6/86 and a decision and order on rehearing issued on 6/23/86. NWB and Phone America filed various motions before the PUC shortly before filing appeals with the Circuit Court of the Sixth Judicial Circuit. On 8/7/86, the Circuit Court issued an order allowing the PUC to rule on the pending motion. On 8/19/86, the PUC issued a final decision and order.

Oral arguments held 7/8/87; memorandum decision 8/26/87; proposed findings, conclusions, judgment and objections filed by NWB on 9/14/87; PUC filed request for additional findings on jurisdiction and objections to proposed findings 10/6/87. Circuit Court signed judgment 10/15/87.

Docket F-3582-28 Filed 12/17/86
REMOVE CUSTOMER PREMISES INSIDE WIRE.

Joined pending proceeding in the District of Columbia Court of Appeals in which PUC opposes FCC preemption of state regulation of inside wire.

Docket F-3623 Filed 8/20/86
INVESTIGATION INTO THE IMPLICATIONS OF LOUISIANA V. FCC FOR INTRASTATE TELEPHONE SERVICE IN SOUTH DAKOTA.

The question was whether a state PUC or the FCC had jurisdiction to establish depreciation rates for intrastate plant. A Supreme Court decision of 5/27/86 held that the state had jurisdiction. Order approving depreciation rates 11/13/86. Docket held open because of broad implications on FCC-State authority.

Docket F-3630 Filed 9/22/86
TRANSFER OF CERTAIN MT SYSTEMS, INC. LICENSES TO EASTERN DAKOTA COMMUNITY DEVELOPMENT CORPORATION.

Decisions 1/2/87 and 3/18/87. Appealed to Circuit Court; motion to intervene filed by Brookings Municipal Utilities 6/24/87; PUC brief on motion to dismiss filed 6/29/87; Memorandum in support of motion to dismiss filed by Brookings Municipal 6/30/87; MT Systems files response to motion to intervene 6/30/87; oral arguments 7/14/87; remanded to PUC; hearing set 11/14/87. Transfer application withdrawn by MT Systems 11/12/87.

Docket F-3669 Filed 4/9/87
GRAIN DEALER'S BOND OF SUN PRODUCTS AND GRAIN, INC.

Petition for declaratory ruling filed by Sun Products 4/8/87; Commission issued declaratory ruling 5/28/87; Sun Products files notice of appeal in Circuit Court 6/8/87; pending; continued at request of complainant's attorney.

Docket F-3611 Filed 6/25/86
APPLICATION OF NORTHWESTERN PUBLIC SERVICE COMPANY (NWPS) FOR AN INCREASE IN ITS NATURAL GAS RATES IN SOUTH DAKOTA.

On June 25, 1986, NWPS filed with the Commission an application for an increase in retail natural gas rates. The Company's application, based on an adjusted test year ending December 31, 1985, purported to support a required annual revenue increase of $1,167,362. By Order dated July 25, 1986, the Commission established the procedural schedule for intervention, filing of testimony and hearing in this docket. On August 14, 1986, Dennis Maloney, acting on behalf of the Industrial and Commercial Energy Users Group (ICEUG), filed a petition to intervene in this matter.

Pursuant to the established procedural schedule, both Staff and ICEUG filed written testimony. Staff's filed response to NWPS' application supported a rate increase producing annual revenues of no more than $571,105. ICEUG's filed testimony stated that a rate increase at the level requested by NWPS would be inappropriate.

On October 15, 1986, an informal conference was held among Company, Staff and ICEUG. As a result of the conference, Company, Staff and ICEUG agreed that NWPS would file revised rate schedules designed to produce an increase in its base rate levels (excluding purchased gas adjustments and sales taxes) of $647,879 on an annual basis for natural gas service. The revised rate schedules were effective for service rendered on and after November 15, 1986. A condition of the settlement agreement was that the agreement did not preclude the Commission from authorizing revenue level changes related to revisions in federal income tax provisions.

The Commission carefully reviewed the settlement agreement and found that the agreement reached by the parties in this matter properly established just and reasonable rates and therefore was approved on November 6, 1986.

Docket F-3691 Filed 6/30/87
APPLICATION OF OTTER TAIL POWER COMPANY (OTP) FOR A CHANGE IN ITS RATES FOR ELECTRIC SERVICE IN SOUTH DAKOTA.

On June 30, 1987, OTP filed an application with the Commission for authority to establish increased rates for electric service. OTP requested an increase of $1,013,493 on an annual basis which will affect approximately 11,186 retail electric customers located in South Dakota. OTP's request constituted an approximate 8.22% overall increase.

The Commission order invited intervenors, requested Staff and intervenor testimony by October 10th, OTP rebuttal by October 23rd and set a hearing date for November 4, 1987.

It was further ordered that rate increases be suspended until December 30, 1987 and that OTP should deposit $40,000 in the Special Hearing Fund in order to defray the expenses incident to conducting the investigation and hearing. There were no intervenors in this proceeding. A settlement agreement between OTP and Staff was approved October 30, 1987, allowing OTP a revenue increase of $341,228 on an annual basis.

GENERAL STUDIES OR INVESTIGATION CASES DOCKETED FROM 7/1/86 TO 6/30/87

Docket F-3624 Filed 8/20/86
INQUIRY INTO THE ANALYSIS OF COSTS FOR TELEPHONE PLANT AND OTHER EXPENSES.

This docket was opened to allow study of costs of plant and other expenses in light of changing environment for telecommunications industry. Still an open docket.

Docket F-3647 Filed 10/86
PUBLIC UTILITIES COMMISSION INVESTIGATION OF THE EFFECTS OF THE 1986 TAX REFORM ACT ON SOUTH DAKOTA UTILITIES.

On October 22, 1986, President Ronald Reagan signed into law the Tax Reform Act of 1986 (TRA). The TRA represents one of the most comprehensive changes in federal income tax legislation ever enacted. The regulatory implications of the TRA require the Public Utilities Commission to examine present utility and telephone rates to determine reasonable allowance for income tax expenses.

In October 1986, Staff of the Commission began gathering information from regulated utility and telephone companies regarding the impact of the TRA on present rates. During the last eleven months, regulated companies have filed extensive information regarding the TRA.

On June 18, 1987, Staff filed a motion requesting the Commission to require utility and telephone companies to file a formal position with the Commission which would reflect the effects of the TRA and associated adjustments. Staff also requested that the Commission set July 1st as the effective date for any rate changes due to the TRA.

The Commission ordered on June 26, 1987 that the TRA which, among other things, reduces the corporate tax rate from 46% to 34% on July 1, 1987, will have an immediate, known and measurable impact on rates as of that date. Accordingly, any reduction in rates charged to utility and telephone customers would have an effective date of July 1st.

The Commission recognized the difficulty utility and telephone companies would have in implementing the TRA rate changes by July 1st. Accordingly, the Commission found that companies should be given procedural alternatives to implement the TRA impact on rates. All had responded by July 15, 1987. Pending further filings by companies. Five cases have been settled as of October 30, 1987.

-1 Filed 7/27/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (MINNEGASCO). Interim Order issued 6/26/87.

-2 Filed 12/24/86
EFFECTS OF THE TAX REFORM ACT OF 1986 (BISON STATE TELEPHONE COMPANY). Bison State Telephone Company agreed to a reduction of rates based on TRA-86 on 6/23/87.

-3 Filed 1/7/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (NORTHERN STATES POWER COMPANY). Interim Order issued 6/26/86. Settlement reached 8/19/87.

-4 Filed 1/6/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (BLACK HILLS POWER AND LIGHT COMPANY). Interim Order issued 6/26/87.

-5 Filed 1/29/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (OTTER TAIL POWER COMPANY). Combined with general rate case Docket F-3691. Settlement reached 10/30/87.

-6 Filed 7/15/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (MONTANA-DAKOTA UTILITIES CO.). Interim Order issued 6/26/87.

-7 Filed 1/30/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (IOWA PUBLIC SERVICE COMPANY). Interim Order issued 6/26/87; formal filing 7/1/87; approved 7/8/87.

-8 Filed 2/10/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (NORTHWESTERN BELL TELEPHONE COMPANY). Interim order issued 6/26/87.

-9 Filed 3/3/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (NORTHWESTERN PUBLIC SERVICE COMPANY). Interim Order 6/26/87. Settlement and tariffs approved 10/14/85.

-10 Filed 8/13/87
EFFECTS OF THE TAX REFORM ACT OF 1986 (AT&T COMMUNICATIONS OF THE MIDWEST). AT&T position filed 8/13/87.

Docket F-3661 Filed 3/17/87
PUBLIC UTILITIES COMMISSION INVESTIGATION INTO THE COST OF REGULATION.

All regulated companies. Order issued on 3/18/87 requesting information on costs allocated to regulation by the PUC; salaries, contractual services, lobbying and associated expenses, etc. Responses received. Order for additional information 6/4/87. Staff analysis filed 8/13/87.

Docket F-3663 Filed 3/23/87
REGULATION OF TELECOMMUNICATIONS RESELLERS IN SOUTH DAKOTA.

This is an investigation into the need for regulation of companies buying long distance service from NWB and reselling it. NWB identified 33 customers. A survey was sent to other states on 3/16/87. A registration form was sent to 33 companies. Pending.

Docket F-3596 Filed 4/28/86
APPLICATION OF PETITIONERS FOR EXTENDED AREA SERVICE (EAS) FROM NEWELL TO BELLE FOURCHE.

In April of 1986, the PUC received petitions signed by 150 residents of the Newell exchange requesting EAS from Newell to Belle Fourche. A public hearing was held in Newell. 8/29/86 NWB sent ballots to all 638 customers in Newell. 74% were returned to the PUC and 60% of returned ballots were in favor of EAS. 11/14/86 the PUC issued an order approving EAS with an increase in local monthly rates of $1.00 per residence and $4.30 per business phone. News of the rate increase activated the opposition and a petition signed by 143 residents objecting to EAS was

received 12/11/86. Numerous inquiries from Newell and other areas of the state interested in EAS indicated some problems with understanding the impact of EAS.

Order suspending implementation 4/15/87; NWB presentation to Commisison 6/3/87; NWB presented trial optional plan 7/14/87; public hearing held in Newell 8/13/87; trial plan approved 9/24/87.

Docket F-3659 Filed 3/6/87
INVESTIGATION INTO THE PRACTICE OF UTILITIES ESTIMATING CUSTOMERS' UTILITY SERVICE CONSUMPTION.

This docket developed from complaints specifically about Minnegasco's practice of estimating meter readings when they did not have access. Billings were bi-monthly so errors could compound. A public hearing was held in Sioux Falls 4/23/87. Minnegasco is expediting installation of Accuread, an electronic reading of meters from outside, which should solve most problems.

Docket F-3665 Filed 2/6/87
EXTENDED AREA SERVICE; STURGIS, RAPID CITY AND WHITEWOOD.

Petitions received; pending results of trial plan in Newell.

Docket F-3671 Filed 4/13/87
INVESTIGATION OF EXTENDED AREA SERVICE IN SOUTH DAKOTA.

Order initiating investigation into impact of EAS on local rates. Comments received from Splitrock Telecomm., SD Assn. of Telephone Coops., Sioux Valley Telephone Co., Valley Telephone Co., AT&T Communications, Kadoka Telephone Co., Dakota Coop. Telecomm., Northwestern Bell, Baltic Coop. Telephone Co., Sanborn Telephone Co., Midstate Telephone Co., Sully Buttes Telephone Coop., SD Assn. of Telephone Coops. and Brookings Municipal Utilities. Pending trial plan in Newell.

Docket E-3593 Filed 4/10/86 Approved 12/18/86
APPLICATION OF BLACK HILLS POWER AND LIGHT COMPANY (BHP&L) FOR APPROVAL OF ITS REVISED SAMPLE FORMS.

Docket E-3599 Filed 5/15/86 Denied 8/18/86; approved 9/22/86
APPLICATION OF OTTER TAIL POWER COMPANY (OTP) FOR APPROVAL OF ITS 1986 MARKETING PLAN.

Docket E-3601 Filed 6/2/86 Approved 6/26/86
PROPOSED AGREEMENT BETWEEN NORTHERN STATES POWER COMPANY (NSP) AND THE CITY OF SIOUX FALLS.

Docket E-3604 Filed 6/6/86 Approved 9/4/86
APPLICATION OF OTP FOR APPROVAL OF REVISIONS TO ITS BULK INTERRUPTIBLE SERVICE APPLICATION AND PRICE GUIDE.

Docket E-3605 Filed 6/18/86 Approved 7/16/86
APPLICATION OF NSP FOR APPROVAL OF CERTAIN CONSERVATION PROGRAMS.

Docket E-3607 Filed 6/23/86 Approved 7/8/86
APPLICATION OF MONTANA-DAKOTA UTILITIES CO. (MDU) FOR APPROVAL OF ITS REVISED ELECTRIC SERVICE RULES AND REGULATIONS, RULE 110.

Docket E-3613 Filed 7/1/86 Approved 11/14/86
APPLICATION OF NORTHWESTERN PUBLIC SERVICE COMPANY (NWPS) FOR APPROVAL OF REVISED FORMS.

Docket E-3615 Filed 7/8/86 pending hearing
COMPLAINT OF J. DEAN TINAGLIA REGARDING ELECTRIC SERVICE PROVIDED BY BHP&L.

Docket E-3616 Filed 7/8/86 Approved 7/16/86
APPLICATION OF MOREAU-GRAND ELECTRIC COOP AND CAM-WAL ELECTRIC COOP FOR AN EXCEPTION TO THE ELECTRIC SERVICE BOUNDARY.

Docket E-3617 Filed 7/14/86 Approved 8/5/86
APPLICATION OF MDU FOR APPROVAL OF REVISIONS TO ITS RATE NO. 113.

Docket E-3621 Filed 8/4/86 Approved 10/2/86
PETITION FOR DECLARATORY RULING BY S&D METERING, LTD.

Docket E-3625 Filed 8/21/86 Approved 9/18/86
APPLICATION OF IOWA PUBLIC SERVICE COMPANY (IPS) FOR REVISIONS IN ITS ELECTRIC TARIFFS 41 AND 42.

Docket E-3627 Filed 8/25/86 Approved 9/18/86
APPLICATION OF BHP&L FOR AUTHORITY TO ISSUE FIRST MORTGAGE BONDS, SERIES X.

Docket E-3628 Filed 9/2/86 Approved 9/4/86
APPLICATION OF MDU FOR APPROVAL OF REVISIONS TO ITS RATE 48.

Docket F-3636 Filed 10/30/86 Approved 11/25/86 Supplemental order 12/1/86
PROPOSAL OF THE CITY OF BROOKINGS TO ANNEX AND PURCHASE A CERTAIN PORTION OF THE ASSIGNED SERVICE TERRITORY OF SIOUX VALLEY ELECTRIC ASSN.

Docket F-3638 Filed 11/3/86 Denied 6/10/87; interim order 6/25/87; approved 7/17/87
MASTER METERING VARIANCE REQUEST OF GENERAL GROWTH DEVELOPMENT FOR SIOUX FALLS MALL.

Docket F-3640 Filed 11/6/86 Settled; no variance requested.
SD HOUSING AUTHORITY, J&O APARTMENTS, ABERDEEN, MASTER METER VARIANCE REQUEST.

Docket F-3645 Filed 12/10/86 Approved 5/6/86
APPLICATION OF NSP TO REVISE ITS CONTROLLED ELECTRIC WATER HEATING RIDER.

Docket F-3648 Filed 1/7/87 Approved 1/30/87; supplemental order 2/20/87
APPLICATION OF NSP TO REVISE CERTAIN COGENERATION AND SMALL POWER PRODUCTION RATES.

Docket F-3653 Filed 1/22/87 Approved 1/26/87
AGREEMENT BETWEEN INTERCOUNTY ELECTRIC ASSOCIATION AND NSP.

Docket F-3654 Filed 1/3/87 Approved 5/6/87
APPLICATION OF BHP&L FOR APPROVAL OF ITS 1987 MARKETING PLAN.

Docket F-3655 Filed 2/17/87 Approved 3/18/87
APPLICATION OF MDU FOR APPROVAL OF REVISIONS TO ITS CUSTOMER INFORMATION TARIFFS.

Docket F-3656 Filed 2/17/87 Approved 5/22/87
APPLICATION OF NSP FOR APPROVAL OF ITS LIMITED OFF-PEAK SERVICE RATE.

Docket F-3664 Filed 3/31/87 Approved 4/8/87
NWPS' REQUEST TO REVISE ELECTRIC TARIFFS FOR IRRIGATION SERVICE.

Docket F-3666 Filed 4/8/87 Approved 4/9/87
AGREEMENT BETWEEN NSP AND TURNER-HUTCHINSON ELECTRIC COOP.

Docket F-3670 Filed 4/13/87 Approved 5/22/87
APPLICATION OF NSP TO REVISE CERTAIN TARIFFS.

Docket F-3673 Filed 4/15/87 Approved 6/16/87
APPLICATION OF BHP&L FOR APPROVAL OF ITS METER TEST TARIFFS.

Docket F-3676 Filed 4/16/87 Approved 5/28/87
APPLICATION OF OTP FOR APPROVAL OF ITS METER TEST TARIFFS.

Docket F-3681 Filed 5/4/87 Approved 6/16/87
APPLICATION OF NSP FOR APPROVAL OF ITS METER TEST TARIFFS.

Docket F-3682 Filed 5/4/87 Approved 5/22/87
APPLICATION OF NWPS TO REVISE ITS OFF-PEAK IRRIGATION SERVICE.

Docket E-3685 Filed 6/5/87 Approved 9/16/87
NSP'S CONTROLLED (E-C) SERVICE RATE.

Docket E-3687 Filed 6/15/87 Approved 7/17/87
OTP'S CONTROLLED SERVICE RATE.

Docket E-3689 Filed 6/29/87 Approved 7/8/87
APPLICATION OF NSP FOR REVISIONS TO ITS STREET LIGHTING POLICY.

Docket E-3690 Filed 6/25/87 Approved 7/8/87
APPLICATION OF NWPS TO REVISE ITS IRRIGATION SERVICE TARIFFS.

GAS CASES DOCKETED FROM 1/1/86 TO 7/1/87

Docket E-3595 Filed 4/25/86 Approved 7/8/86
APPLICATION OF MDU FOR APPROVAL OF CHANGES IN ITS DUAL FUEL SPACE HEATING SERVICES, RATES 53 AND 54.

Docket E-3619 Filed 7/24/86 Approved 8/6/86
APPLICATION OF MDU FOR APPROVAL OF REVISIONS TO ITS RATE 120.

Docket E-3620 Filed 8/4/86 Approved 10/2/86
APPLICATION OF MDU FOR APPROVAL OF CERTAIN TARIFF REVISIONS.

Docket E-3631 Filed 9/25/86 Approved 12/18/86
APPLICATION OF WILLISTON BASIN INTERSTATE PIPELINE CO. FOR A PERMIT TO CONSTRUCT A 4.5 INCH O.D. LATERAL TRANSMISSION PIPELINE FACILITY IN LAWRENCE COUNTY.

Docket E-3632 Filed 9/29/86 Approved 10/19/86 & 11/16/86
PETITION FOR DECLARATORY RULING FILED BY MINNEGASCO.

Docket E-3635 Filed 10/7/86 Approved 11/5/86
APPLICATION OF MINNEGASCO FOR AUTHORITY TO ESTABLISH GAS TRANSPORTATION SERVICE RATES.

Docket E-3641 Filed 11/6/86 Approved 11/14/86
APPLICATION OF MDU FOR APPROVAL OF CERTAIN REVISED RATE SCHEDULES.

Docket E-3646 Filed 12/17/86 Approved 5/28/87
APPLICATION OF NWPS FOR APPROVAL OF CERTAIN REVISIONS TO ITS NATURAL GAS TARIFFS.

Docket E-3677 Filed 4/20/87 Approved 5/28/87
APPLICATION OF MINNEGASCO FOR APPROVAL OF ITS NATURAL GAS TARIFFS.

Docket E-3679 Filed 5/1/87 Approved 5/28/87 & 6/4/87
APPLICATION OF IPS FOR AUTHORITY TO ESTABLISH GAS TRANSPORTATION SERVICE RATES.

Docket E-3680 Filed 5/1/87 Approved 5/28/87
REQUEST OF MDU FOR WAIVER OF FILING DATES.

Docket F-3688 Filed 6/29/87 Approved 7/8/87
APPLICATION OF NWPS TO REVISE CERTAIN NATURAL GAS TARIFFS.

COMBINED GAS AND ELECTRIC CASES DOCKETED FROM 1/1/86 TO 7/1/87

Docket F-3614 Filed 7/1/86 Approved 8/5/86
APPLICATION OF NWPS FOR AUTHORITY TO INTRODUCE SERVICE CONNECTION TARIFFS.

Docket F-3618 Filed 7/18/86 Effective 10/24/86
GAS AND ELECTRIC CONSUMER RULES (20:10:15 TO 20:10:20).

Docket F-3644 Filed 12/8/86 Approved 5/28/87
APPLICATION OF NWPS FOR APPROVAL OF ITS METER TEST TARIFFS.

Docket F-3657 Filed 2/20/87 Approved 6/4/87
APPLICATION OF MDU FOR APPROVAL OF ITS METER TEST TARIFFS.

Docket F-3672 Filed 4/15/87 Approved 5/13/87
CERTAIN REVISIONS TO GAS AND ELECTRIC SERVICE RULES AND THE BONUS 12 SERVICE PAYMENT PLAN FOR IPS.

Docket F-3674 Filed 4/15/87 Approved 6/24/87
APPLICATION OF IPS FOR APPROVAL OF ITS METER TEST TARIFFS.

Docket F-3683 Filed 5/22/87 Approved 6/4/87
APPLICATION OF NWPS FOR APPROVAL OF REVISIONS TO ITS SAMPLE FORMS TARIFFS.

TELECOMMUNICATIONS COMPLAINTS DOCKETED IN FY 87

Docket F-3587 Filed 3/3/86
APPLICATION OF AT&T COMMUNICATIONS AGAINST NWB.

Complaint alleging that NWB had breached a Billing and Collections Services Agreement with AT&T. Settlement agreement between parties 6/27/86. Order dismissing 7/8/86.

Docket F-3603 Filed 6/9/86
PETITION OF THE DEPARTMENT OF DEFENSE, GENERAL SERVICES ADMINISTRATION AND ALL OTHER FEDERAL EXECUTIVE AGENCIES FOR INVESTIGATION OF THE REASONABLENESS OF THE AUTHORIZED RATE OF RETURN AND CURRENT CHARGES AND RATES FOR INTRASTATE SERVICES OFFERED BY NWB.

The Commission had just finished a rate case investigation on May 21, 1986. Federal agencies were furnished a copy of the settlement agreement and agreed to withdraw request. Dismissed 7/8/86.

Docket F-3606 Filed 6/18/86
APPLICATION OF NWB TO IMPLEMENT MANDATORY LOCAL MEASURED SERVICE IN MITCHELL.

NWB proposed mandatory rather than optional measured service. Order establishing procedural schedule 9/4/86; public hearing held in Mitchell with organized opposition 10/20/86; NWB requested postponement 11/5/86; awaiting NWB decision whether to pursue this matter; optional LMS tariff approved 9/16/87.

Docket F-3622 Filed 8/13/86
A LOT OF PEOPLE SUPPORTING TOM DASCHLE VERSUS DIAL NET.

A dispute over billing by NWB and Dial Net to Daschle campaign and on quality of service. Parties agreed to negotiate own settlement; settlement agreed to; dismissed 6/24/87.

Docket F-3626 Filed 8/21/86
DEWEY ALLUM VERSUS DIAL NET.

Hearing on application of rule on billing practices requested. Complainant has not followed through since initial request. Pending.

Docket F-3634 Filed 10/2/86
APPLICATION OF NWB'S DISCLAIMER OF LIABILITY FOR TELERIDE INSERTS.

Order requiring that a disclaimer be printed on advertising inserts sent with telephone bill 11/4/86; amended 3/18/87; to be reviewed 11/15/87.

Docket F-3639 Filed 11/3/86
APPLICATION OF MARQUARDT ENTERPRISES INTERNATIONAL, INC. FOR A STAY OF DISCONNECT OF TELEPHONE SERVICE PROVIDED BY NWB.

A dispute between MEI and NWB over MEI's relationship to Phone America and large sum owed by Phone America. Stay granted 11/4/86. After further evidence was submitted, the stay was denied and NWB allowed to disconnect 11/14/86.

TELECOMMUNICATIONS SERVICE AREA DISPUTES ACTED UPON IN FY 87

Docket F-3588 Filed 3/11/86
APPLICATION OF MIDCO ANSWERING SERVICE, INC. TO PURCHASE THE ASSETS OF MITCHELL RADIO PAGING. Approved 7/28/86.

Docket F-3609 Filed 6/23/86
COMPLAINT OF SULLY BUTTES TELEPHONE COOPERATIVE AGAINST PIERRE RADIO PAGING FOR OFFERING SERVICE IN AREAS NOT AUTHORIZED BY THE PUBLIC UTILITIES COMMISSION.

Parties report that they expect to reach a settlement. Pending.

Docket F-3612 Filed 7/1/86
CITY OF BROOKINGS UTILITY BOARD VERSUS NWB.

Dispute between Brookings Municipal Telephone Co. and NWB on location of fiber optic cable to update long distance connections. Both parties requested that they continue negotiations. Pending settlement between parties.

Docket F-3651 Filed 1/13/87
APPLICATION OF LeMAR VAN HEUVELN FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE RADIO COMMON CARRIER SERVICE IN SIOUX FALLS.

Notice of hearing 1/26/87; request to intervene by Midco; hearing set for 4/13/87; further documentation submitted; brief schedule agreed upon; briefs filed 5/26/87, 6/8/87 and 6/28/87; application denied 7/17/87.

Docket F-3658 Filed 3/3/87
APPLICATION OF PIERRE RADIO PAGING FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE RADIO COMMON CARRIER SERVICE IN AND AROUND CHAMBERLAIN.

Order for and notice of hearing 3/6/87; request to intervene by MT Systems and Midwest Mobile; hearing 7/15/87; approved 11/10/87.

Docket F-3660 Filed 3/17/87
TRANSFER OF RADIO COMMON CARRIER AUTHORITY FROM LESTER R. FAIRCHILD TO WAYNE A. SIVER DBA TRI-STATE RADIO.

Waited for documentation; no intervenors; approved 8/17/87.

Docket F-3662 Filed 3/30/87
APPLICATION OF AT&T COMMUNICATIONS FOR AUTHORITY TO PROVIDE STATE-WIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICES.

Currently, only NWB is authorized to provide long distance service between stations within the State of South Dakota. AT&T is applying for the right to offer a competitive service. Order for and notice of hearing 4/3/87; petitions to intervene by SD Independent Telephone Coalition; Dakota Cooperative Telecommunications, US Sprint, Midco Tel of Aberdeen, NWB, Midco

Communications of Sioux Falls; comments due on 6/8/87 and 6/22/87; hearing held 8/25/87. Application denied 11/23/87.

Docket F-3675 Filed 4/16/87

ABANDONMENT OF RADIO COMMON CARRIER AUTHORITY FOR GOLDEN WEST TELE-TECH, INC.

Request to abandon service area (two customers) in Buffalo, South Dakota. Approved 8/19/87.

TELEPHONE TARIFF CASES DOCKETED IN FY 87

Docket F-3582
MISCELLANEOUS TARIFF FILINGS BY NORTHWESTERN BELL TELEPHONE COMPANY: (1986)

-12 Interstate Access Charge Changes; filed 7/10/86; approved 9/23/86.

-13 Obsolete CaroLine II, III and IV; filed 7/16/86; approved 8/13/86.

-14 Alternative to Multi-Party Customers/Measured Service; filed 7/16/86; approved 8/13/86.

-15 Service Replacement Regulations; Catastrophic Damages; filed 7/22/86; approved 8/13/86.

-16 800 Service, Intra-Exchange Carriers; filed 9/2/86; approved 12/30/86.

-17 Intercept Services; filed 9/23/86; approved 10/3/86.

-18 Internal Directory Service; filed 9/23/86; approved 11/14/86.

-19 Modify Salem Exchange; filed l0/2/86; approved 10/30/86.

-20 Measured Service-Tea; filed 10/2/86; approved 10/20/86.

-21 Measured Service-Hill City; filed 10/17/86; approved 10/30/86.

-22 Shared Telecommunications Service/Iowa Department of Commerce, Akron, Hawarden and Sioux City, IA; filed 10/17/86; approved 11/14/86.

-23 Power Failure & DID Trunk Terminations; filed 11/17/86; approved 11/25/86.

-24 Remote Call Forwarding; filed 11/17/86; approved 11/25/86.

-25 Define Residence and Business Service; filed 11/21/86; approved 11/25/86.

-26 30 Day Limit; Service at Old Address; filed 12/3/86; approved 12/30/86.

-27 Billed Number Screening (BNS); filed 12/9/86; approved 12/30/86.

Docket F-3652
MISCELLANEOUS TARIFF FILINGS-NORTHWESTERN BELL TELEPHONE COMPANY: (1987)

-1 Change Deadwood and Spearfish Exchange Boundaries; filed 1/14/87; approved 2/11/87.

-2 Interstate Rate/Carrier Common Line Charges; filed1/29/87; approved 2/11/87.

-3 Mirror 4/1/87 Interstate Access Charge; filed 3/3/87; approved 4/8/87.

-4 Revise CaroLine Service; filed 3/26/87; approved 5/22/87.

-5 Called Number Identification Services; filed 3/27/87; approved 5/22/87.

-6 5 Year Contract Period Option to Centrex Rate Stability; filed 5/6/87; approved 5/28/87.

-7 Measured Service-Ft. Pierre; filed 5/26/87; approved 7/17/87.

-8 Mirror 7/1/87 FCC Interstate Access Charges; filed 6/11/87; approved 7/8/87.

-9 Equal Access Restriction Service; filed 6/25/87; withdrawn and closed 7/8/87.

-10 Local Measured Service-Ft. Pierre-4 party; filed 6/24/87; approved 7/17/87.

Docket F-3629 Filed 9/18/86
APPLICATION OF NWB FOR APPROVAL AND IMPLEMENTATION OF REPRESCRIBED DEPRECIATION RATES.

Approved 11/14/86.

Docket F-3643 Filed 11/17/86
APPLICATION OF NWB FOR A CHANGE IN ITS INTRASTATE ACCESS TARIFFS.

NWB requested automatic implementation of mirrored interstate charges. Staff opposes. Still pending. Decided on case by case basis.

Docket F-3650
MISCELLANEOUS TARIFF FILINGS-BISON STATE TELEPHONE COMPANY: (1987)

-1 Interstate Access Service Tariff; filed 1/12/87; approved 6/24/87.

Docket F-3684 Filed 5/26/87
APPLICATION OF MIDCO COMMUNICATIONS FOR APPROVAL OF RADIO COMMON CARRIER TARIFFS.

Approved 5/28/87.